



About IMAG

- The International Mailers' Advisory Group (IMAG) was formed in 1997 to represent U.S.-based outbound mailers and shippers, and to this day is the only U.S. mailing/shipping trade association focused solely on international issues.
- Our core mission is to address barriers to the efficient flow of information and goods across borders.
- We are 25 member [companies](#) (with multiple representatives within each company) made up primarily of U.S.-based consolidators, as well as hardware and software solutions providers.
- We estimate IMAG members are responsible for over \$1 billion annualized postage or shipping spend.
 - IMAG members move an estimated \$4 billion worth of goods each year.
- IMAG members use a wide array of shipping and delivery partners, including designated operators (posts), the integrators, local couriers, freight forwarders, and new market entrants.

General Market Information

- International revenue makes up less than \$3 billion of USPS total revenues of nearly \$70 billion/year in FY 2017.
 - Outbound mail/packages makes up two thirds of this amount.
- Rather than seeing this as just 4% of total revenues, IMAG members look at it as a \$3 billion market with enormous potential for growth.
- Cross-border ecommerce growth is expected to reach \$1 trillion by 2021.
 - Cross-border e-commerce is expected to grow on average at twice the rate of domestic online retail in the period leading up to 2020. (DHL)
- 57% of online shoppers made an online purchase in the past six months from an overseas retailer (Aeropost)
 - Overseas online purchases were the majority in all continents but North America.
 - China leads in online cross-border buying, followed by U.S., UK, and Germany.
 - Biggest growth opportunities are in developing markets.
 - 36% of U.S. online merchants are selling across the border. Fifty-three percent of cross-border sellers use online marketplaces — with eBay and Amazon being the most common. (Ipsos)
- The biggest area of growth is in lightweight, lower-value products.
 - About 84% of cross-border ecommerce purchases are less than 2 kg. (Int'l Post Corp.)
- Nearly 40% of cross-border purchases have a value of less than €25. (IPC)
- It is becoming less important to consumers which company delivers their goods. (IPC)

What IMAG Members Offer

- Our members serve mid-level SMEs and sellers on various platforms.
 - eBay sees \$70 billion in commerce over its platform; 20% of eBay commerce is cross-border.
 - Retailers in the traditional retail world are importers; eBay sellers are all exporters.

- The average eBay company ships to 30 countries.
- Many smaller and mid-sized businesses looking to expand in the cross-border market will use a consolidator to simplify the process and reduce costs. Our members:
 - Identify and sell to customers providing cost-effective USPS shipping solutions, when appropriate, or other options, when it suits the customer's needs.
 - Provide mail and package preparation.
 - Transport to international airlift facilities.
 - Help customers meet all U.S. government export compliance regulations, prepare all documentation and customs forms (if necessary).
 - Handle all customer service and retention activities.
 - Make on-boarding painless, letting customers start shipping internationally as soon possible, generating more revenue per year.
- U.S. Postal Service products are often an entrée to the cross-border ecommerce market for new entrants.
 - USPS tracked and partially tracked products provide an economical way for U.S. companies to enter the cross-border shipping market.

Importance of a Healthy International Network

- The Universal Postal Union (UPU) sets the rules for the global network and the United States' participation in that network is essential for U.S. exporters to prosper.
- IMAG members and their customers rely on this global network for their businesses.
 - Members have established operational processes to abide by the rules of the global network.
 - Uniformity around the definition of a letter or a parcel, around containerization and presentation, and service quality allow for processes and systems to be highly efficient, which benefit all U.S. businesses that mail and ship to customers around the world.
- Terminal dues is a complicated issue with a long history and our members fall in different camps on the topic.
 - Terminal dues are just a small component of shipping costs.
- The Acts of the UPU are a whole package that we can't just pick and choose from.
 - We need to be mindful of the implications that abandoning the UPU Acts could have on all aspects of the international delivery system.
 - In particular, our members worry about reciprocity from foreign posts if the United States were to abandon the Acts.
 - Prices for U.S. exports would increase.
 - Foreign posts might not apply the operational standards set in the Acts to the United States. They might refuse or deliberately alter service on U.S. mail.